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May 24, 2023

**By ECF**

Hon. Joseph F. Saporito, Jr.  
United States Magistrate Judge  
U.S. District Court  
Middle District of Pennsylvania  
Max Rosenn U.S. Courthouse  
197 South Main Street  
Wilkes-Barre, PA 18701

**Re: *Mancuso v. MDG USA Inc.*, No. 3:22-cv-01405-JFS (M.D. Pa.)**

Dear Judge Saporito:

K&L Gates LLP is counsel for MDG USA Inc. in the above matter. Pursuant to Section 16(a) of the Federal Arbitration Act (the “FAA”), MDG has filed a notice of appeal of the Court’s May 5, 2023, order denying MDG’s motion to compel arbitration. See Docket No. 13.

MDG thought it appropriate to write to the Court to explain why it believes that the appeal has the effect of staying proceedings in this court.

While “[t]here is a circuit split on the question of whether the filing of an interlocutory appeal pursuant to Section 16(a) of the FAA automatically deprives the trial court of jurisdiction to proceed until such time as the appeal is fully litigated or determined to be frivolous or forfeited,” the Third Circuit has “expressed ... agreement with the majority rule of automatic divestiture where the Section 16(a) appeal is neither frivolous nor forfeited.” *Ehleiter v. Grapetree Shores, Inc.*, 482 F.3d 207, 215 n.6 (2007). The United States Supreme Court is set to resolve the circuit split this term in *Coinbase, Inc. v. Bielski*, No. 22-105.

In light of the above, MDG understands that all proceedings in this Court are stayed pending the Third Circuit’s adjudication of the appeal. If the Court has a different understanding, MDG respectfully requests that the Court convene a status conference so that the parties may address any questions the Court has.

Very truly yours,

*/s/ Gregory N. Blase*

Gregory N. Blase

cc: Counsel of Record. (*by ECF*)